

Service Date: November 16, 1998

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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| IN THE MATTER OF the Filing |) | UTILITY DIVISION |
| of Local Exchange Services, Regulations |) | DOCKET NO. N98.8. 181 |
| and Schedules of Rates by |) | |
| AT&T Communications of the Mountain |) | ORDER NO. 6099a |
| States, Inc. to Provide "Digital Link" |) | |
| Local Exchange Service |) | |

FINAL ORDER

Background

On August 10, 1998 AT&T Communications of the Mountain States, Inc. (AT&T) filed with the Montana Public Service Commission (Commission) tariffs for local exchange services, regulations and schedules of rates to provide "Digital Link" local exchange service. The filing was noticed on Utility Division Agenda No. 98-8-17. No protests to or comments on the filing were received. On August 25, 1998 the Commission approved the filing on an interim basis pending a review of certain of the tariff provisions.

On September 23, 1998 the Commission issued Proposed Order No. 6099, rejecting certain tariff sections as violative of Commission rule and Montana law. On October 2, 1998 AT&T filed a Request for Reconsideration of Order No. 6099 and Waiver of Administrative Rules of Montana.

Discussion

AT&T argues that the rules relied on by the Commission and applied to the Digital Link tariff filing are "a vestige of a monopoly environment and are not relevant to the [Digital Link] service." Further, AT&T argues that the "nature of the service and the types of customers purchasing the service do not require compliance with the rules that were drafted to apply to basic local exchange service purchased by residential and small business customers in a monopoly environment."

While not necessarily agreeing with AT&T, the Commission finds that it should review its current rules that apply to telecommunications tariff filings to see if those rules should be modified or supplemented in accord with recent major changes in federal and state telecommunications law. Specifically, rules that were designed to apply to monopoly local exchange carriers should be reviewed to see if it is reasonable to apply them to competitive local exchange carriers (CLEC). Pending such review the Commission will grant AT&T's request for reconsideration and approve the Digital Link tariffs as filed, with one exception noted below. This approval is subject to Commission review of its rules as discussed above. If AT&T's tariffs approved herein prove inconsistent with rules, policy or interpretation that the Commission adopts in the future regarding CLEC tariff filings, the Commission will require AT&T to modify its tariffs accordingly.

This reconsideration does not affect the Commission's conclusion that section 4.2, Promotional Offerings, is in violation of Montana statute. AT&T should amend that section as filed.

Order

With the exception noted, AT&T's Digital Link tariffs are approved on a final basis, subject to rules and policy on competitive local exchange carriers that may be adopted in the future..

DONE AND DATED this 27th day of October, 1998, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

DAVE FISHER, Chairman

NANCY McCAFFREE, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, Commissioner

ATTEST

Kathlene M. Anderson
Commission Secretary
(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM